

GuardCap Emerging Markets Equity Fund

Class: I (acc) EUR



Investment Objective

The investment objective of the Fund is to deliver a superior return to the MSCI Emerging Markets Index over the long-term by investing primarily in equity and similar securities issued by companies that have significant exposure to emerging market economies.

Investment Approach

Philosophy: growth drives returns; quality protects against downside; valuation matters.

- Concentrated, long-only strategy with 25-30 high quality, sustainably growing companies
- In-depth fundamental analysis, bottom-up analysis of selected high-confidence stocks
- Benchmark agnostic, unconstrained portfolio construction; high active share
- Genuine long-term investing with low portfolio turnover
- Large / Mid-cap focus

Investment Team

	Joined GuardCap	Years of experience
Ed Wallace	2015	20
Joris Nathanson	2016	19
Alice Yin	2017	10
Dexu Qu	2020	8

Performance* (%)

	1 M	3 M	YTD	1 Y	Annualised		Inception
					3 YR	5 YR	
Class I EUR	-3.02	-6.15					-15.00
Benchmark	-2.14	-2.90					-6.53
Relative return	-0.88	-3.25					-8.47

*Past performance results are no indication of future results

Fund Facts

Legal Status	UCITS
Fund launch date	19 December 2016
Class Inception	22 February 2021
Benchmark	MSCI Emerging Market Index (Net) €
Fund Size	USD 53.3 million
Strategy Size ¹	USD 125.3 million
ISIN	IE00BF2YTR44
Bloomberg	GCEMEIA

¹Based on estimates and is not official

Charges & Subscriptions

Annual management fee	0.80%
Ongoing charges ²	0.96%
Minimum investment	USD 500,000

²As at 31 December 2020; including Annual management fee

Portfolio Characteristics

Number of stocks	26
Active share	81.7%
Net exposure	98.1%

Risk**

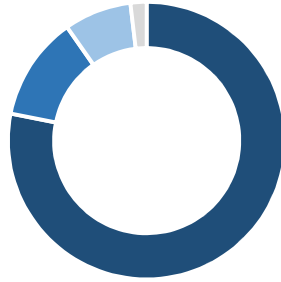
	Fund	Index
Tracking error	6.45	
Standard deviation	17.48	16.62
Information ratio	0.00	
Sharpe ratio ³	0.48	0.51
Upside market capture	102.80	100.00
Downside market capture	102.69	100.00
Batting average	0.52	

**USD I Share Class

³Sharpe ratio calculated using Bloomberg US Generic Govt. 3 Month Yield

Geographic Allocation (%)

■ Asia Pacific	78.13
■ Latin America	12.13
■ United States	7.85
■ Cash	1.89



Sector Allocation (%)

■ Information Technology	34.24
■ Consumer Discretionary	24.67
■ Communication Services	12.82
■ Financials	12.74
■ Consumer Staples	5.46
■ Industrials	3.28
■ Real Estate	2.85
■ Health Care	2.05
■ Cash	1.89



Top 5 Holdings

	% of assets
TSMC	9.39%
Samsung Electronics	6.55%
MercadoLibre	6.07%
Tencent	5.49%
HDFC Bank	5.23%

Monthly Contributors / Detractors

	Contribution to return
+ Localiza Rent A Car	0.42%
+ JD.com	0.35%
+ NetEase	0.30%
- MercadoLibre	-1.21%
- Alibaba	-1.12%
- HDFC Bank	-0.35%

Manager Commentary

Global equities declined sharply after the discovery of the new omicron variant of Covid-19, with the MSCI Emerging Markets Index returning -4.1% for November. The worst performing region was EMEA (-7.0%), followed by Asia (-3.6%) and Latin America (-3.0%). The three sectors with the biggest drawdowns were consumer discretionary (-10.1%), energy (-7.4%) and materials (-5.4%). The only sector to deliver a positive return was IT (+1.4%).

Detractors from performance included: Latin American e-commerce operator **MercadoLibre**, with the company raising new equity following a strong set of third quarter results; Chinese e-commerce and digital services group **Alibaba**, whose quarterly results fell short of expectations; and India's largest private sector bank, **HDFC Bank**, whose share price was weaker on concerns about the new Covid-19 variant. All three are growth companies and were all impacted by broader market concerns about how a global economic slowdown might affect corporate growth rates. The largest contributor to performance was **Localiza**, Brazil's biggest car rental company, which reported results during November and saw its share price recover somewhat from October's weakness. Other contributors included digital retailer **JD.com** and gaming group **NetEase** who both reported robust quarterly results amid slowing economic growth in China.

Fund ESG Ratings

Morningstar Sustainability Rating™

Morningstar Low Carbon Designation™



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